

# Memorandum

MIAMI-DADE  
COUNTY

**Date:** December 18, 2007

**To:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**From:**

George M. Burgess  
County Manager

Agenda Item No. 4(I)

**Subject:** Ordinance Amending Section 29-54 of the Code of Miami-Dade County related to Tourist Development Taxes.

## **RECOMMENDATION**

It is recommended that the Board of County Commissioners (Board) adopt the attached Ordinance amending Section 29-54 of the Miami-Dade County Code as it relates to the allocation of Tourist Development Taxes (TDT). Specifically, this Ordinance provides that the City Commission of the City of Miami (City) will regain authority to determine the manner in which the 20 percent of the TDT is spent within the City of Miami. Adoption of this Ordinance is one of the conditions required in order to execute the First Amendment to the Interlocal Cooperation Agreement (First Amendment) among the County, City of Miami (City), and OMNI Community Redevelopment Agency (OMNI CRA), which will provide the County with an increase in OMNI CRA tax increment financing (TIF) revenue.

## **SCOPE**

The impact of this item is within the City of Miami, which includes portions of Commission Districts 2, 3, 5, 6, and 7.

## **FISCAL IMPACT / FUNDING SOURCE**

The FY 2007-08 Adopted Budget includes a total of \$18.071 million for TDT revenues, of which 20 percent (\$3.499) million is to be spent within the City. Currently, a portion of the 20 percent is paying for Performing Arts Center debt (\$2.473 million). In conjunction with this Ordinance, the County, City and OMNI CRA are entering into the First Amendment agreement that will increase the OMNI CRA's contribution to the County, which the net present value of the revenues to the County is approximately \$100 million over the life of the OMNI CRA.

## **TRACK RECORD / MONITORING**

The Finance Department will be responsible to administer the distribution of the TDT receipts pursuant to this Ordinance.

## **BACKGROUND**

TDT is a two percent levy on transient lodging collected throughout Miami-Dade County, with the exception of the cities of Sunrise, Bal Harbour, and Miami Beach. On October 4, 1978, the Board adopted Ordinance 78-62, levying and imposing the two percent TDT, which was subsequently approved by a referendum on November 7, 1978. TDT is allocated to fund: 1) the Greater Miami Convention and Visitors Bureau (60 percent), Miami-Dade County tourism by sponsoring tourist-oriented cultural activities recommended by the Cultural Affairs Council (20 percent); and to the City for tourist oriented events and facilities within the City (20 percent).

On March 21, 2006 the Board adopted Ordinance 06-57, which amended the County Code by giving the Board control to determine the manner in which 20 percent of the TDT revenues are spent within the City. Prior to that action, the City Commission determined how the 20 percent was spent within the City.

Subsequently, the Board approved Resolution R-915-06 authorizing the County Manager to enter into negotiations with the City, the OMNI CRA and the Southeast Overtown/Park West Community Redevelopment Agency (SEOPW CRA). The intention of these negotiations is to develop mutually beneficial amendments to the City, County and both of the Community Redevelopment Areas. The County, City, and OMNI CRA have developed a First Amendment that provides additional TIF revenue for the purpose of supporting the County's debt service on all outstanding PAC bonds and/or loans. As a condition for this First Amendment to be executed by the County, City and OMNI CRA, the Board must adopt an Ordinance to provide the City Commission authority to determine the use of 20 percent of TDT receipts (less the cost of administration) for eligible projects within the City.

As a result of the County, City and OMNI CRA being unable to conclude negotiations regarding this First Amendment prior to the beginning of this fiscal year, a portion of the 20 percent of the TDT revenues were allocated towards the County's support of the Carnival Center (\$2.473 million). Once this First Amendment is approved, the increased payments from the OMNI CRA to the County will allow the Convention Development Tax (CDT) revenues currently being used to pay the debt service on PAC bonds and loans to be available to fully fund the County's occupancy costs of the Carnival Center. This will in turn allow the TDT revenues currently budgeted for the Carnival Center to once again be directly available for allocation by the City to eligible projects within the City of Miami. It should be noted that part of the City's funding commitment to the Florida Marlins Ballpark Project includes \$48 million of TDT funding. The City's TDT contribution towards the Ballpark Project, or any other City project for that manner, will not be possible unless this TDT Ordinance is approved. Once the TDT Ordinance is approved, a budget amendment will be necessary to replace the TDT funding with CDT funding to support the Carnival Center operations.

Attachments

  
Assistant County Manager

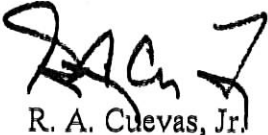


# MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

DATE: December 18, 2007

FROM:   
R. A. Cuevas, Jr.  
County Attorney

SUBJECT: Agenda Item No. 4(I)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 4 (I)  
12-18-07

ORDINANCE NO. \_\_\_\_\_

ORDINANCE RELATING TO TOURIST DEVELOPMENT  
ROOM TAX PLAN; AMENDING SECTION 29-54 OF THE  
CODE OF MIAMI-DADE COUNTY, FLORIDA TO MODIFY  
PROVISIONS RELATING TO EXPENDITURES IN THE CITY  
OF MIAMI; AND PROVIDING SEVERABILITY, INCLUSION  
IN THE CODE AND EFFECTIVE DATE

**BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF  
MIAMI-DADE COUNTY, FLORIDA that:**

**Section 1.** Section 29-54 of the Code of Miami-Dade County, Florida is hereby  
amended to read as follows:<sup>1</sup>

**Sec. 29-54. Disposition of revenues; review of expenditures.**

\* \* \*

**(a) *Tourist development room tax.***

(1) Collections received by the Tax Collector  
from the tourist development room tax, less costs of  
administration, are to be deposited in the "Miami-Dade County  
Tourist Development Trust Fund," herewith established, and used  
in accordance with the Miami-Dade County Tourist Development  
Plan, which provides for the allocation of funds as follows:

\* \* \*

3. To promote tourism, to fund tourist-  
related facilities as allowed by law, and to fund tourist-oriented  
events located within the municipal boundaries of the City of  
Miami, as determined by the ~~[[Board of the County~~

<sup>1</sup> Words stricken through and/or ~~[[double bracketed]]~~ shall be deleted. Words underscored  
and/or >>double arrowed<< constitute the amendment proposed. Remaining provisions are now  
in effect and remain unchanged.

~~Commissioners]] >>~~City Commission of the City of Miami~~<<~~.  
(Twenty (20) percent).

**Section 3.** If any section, subsection, sentence, clause or provision of this ordinance is held invalid, the remainder of this ordinance shall not be affected by such invalidity.

**Section 4.** It is the intention of the Board of County Commissioners, and it is hereby ordained that the provisions of this ordinance, including any Sunset provision, shall become and be made a part of the Code of Miami-Dade County, Florida. The sections of this ordinance may be renumbered or re-lettered to accomplish such intention, and the word "ordinance" may be changed to "section," "article," or other appropriate work.

**Section 5.** This ordinance shall become effective 10 days after the date of enactment unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

PASSED AND ADOPTED:

Approved by County Attorney as  
to form and legal sufficiency:



Prepared by:



Geri Bonzon-Keenan